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DENIED IN FULL

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DATE ~~JUN 11 1999~~

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1. ~~SECRET~~ COMMENT: IN MID-OCTOBER 1975 THE ~~SECRET~~ PRESS REPORTED THAT THE CURRENT SECURITY OPERATIONS AGAINST THE MOVEMENT OF THE REVOLUTIONARY LEFT (MIR) HAVE UNCOVERED EVIDENCE THAT JORGE INSUNZA, MEMBER OF THE POLITICAL COMMISSION OF THE COMMUNIST PARTY OF CHILE (PCCH), HAS BEEN ACTING AS A FINANCIAL COURIER BETWEEN THE MIR AND THE ARGENTINE PEOPLE'S REVOLUTIONARY ARMY (ERP) AND THAT HE HAD BROUGHT OVER U.S.\$100,000 INTO CHILE AND DELIVERED IT TO MIR LEADERS ONLY A DAY OR TWO BEFORE SECURITY SERVICES RAIDED A MIR HIDEOUT, KILLING DAGOBERTO PEREZ, SECOND IN COMMAND OF THE MIR.)

2. ~~SECRET~~

3. IN MID-OCTOBER, ~~SECRET~~

CONFIRMED TO ~~SECRET~~

~~SECRET~~ IN CHILE THAT THE INFORMATION ABOUT INSUNZA WAS ESSENTIALLY CORRECT. THEY SAID THAT INSUNZA HAD BEEN ACTING CLANDESTINELY IN CHILE DURING AUGUST AND SEPTEMBER 1975. ~~SECRET~~ COMMENT:

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4. [REDACTED] SAID THAT IN LATE SEPTEMBER INSUNZA LEFT CHILE TO ATTEND A MEETING IN TUCUMAN, ARGENTINA, WITH REPRESENTATIVES OF THE MIR, THE ERP, THE BOLIVIAN NATIONAL LIBERATION ARMY (ELN), THE URUGUAYAN NATIONAL LIBERATION MOVEMENT (MLN-TUPAMAROS) AND THE PERUVIAN MIR. ACCORDING TO [REDACTED] THE PURPOSE OF THE MEETING WAS TO DIVIDE FUNDS OBTAINED BY THE ERP FROM KIDNAPPING AND EXTORTION, AND TO DISCUSS THE GENERAL STRATEGY FOR ARMED STRUGGLE IN THE SOUTHERN CONE OF LATIN AMERICA.

5. [REDACTED] THAT INSUNZA'S ACTIVITIES WERE IN VIOLATION OF PARTY DISCIPLINE. [REDACTED], THAT FOR SOME TIME, [REDACTED] HAVE BEEN AWARE THAT INSUNZA'S ACTIVITIES WERE A BREACH OF PARTY DISCIPLINE BUT THAT INSUNZA HAS THE SUPPORT OF A SECTOR OF THE PARTY, PARTICULARLY ELEMENTS OF THE COMMUNIST YOUTH (JCCH). [REDACTED] SAID INSUNZA'S SECTOR WAS COORDINATING TO SOME DEGREE WITH ELEMENTS OF THE SOCIALIST PARTY (PS), THE CHRISTIAN LEFT (IC), AND THE UNITED POPULAR ACTION MOVEMENT (MAPU). [REDACTED] COMMENT: [REDACTED]

[REDACTED]

[REDACTED]

3 [REDACTED] INSUNZA FAVORED TAKING A HARDER LINE AGAINST THE GOVERNMENT,

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INCLUDING THE USE OF ARMED RESISTANCE IN CERTAIN CIRCUMSTANCES.)

6. [REDACTED] THAT AS A RESULT OF INSUNZA'S URGING; THE PARTY HAS OVER THE PAST SEVERAL MONTHS PROVIDED SOME FUNDS ANTIPERSONAL PROTECTION FOR MIR MILITANTS BEING SOUGHT BY THE GOVERNMENT. HOWEVER, APART FROM THIS KIND OF ASSISTANCE, THE PCCH HAD NO INTENTION OF CHANGING ITS LONG-STANDING POLICY OF OPPOSITION TO ARMED STRUGGLE IN CHILE. [REDACTED] HAD RECENTLY RECEIVED A COMMUNICATION FROM VOLODIA [REDACTED] PARTY LEADER IN EXILE IN MOSCOW, WHO AFFIRMED THIS POSITION AND REPORTED THAT DURING A RECENT CONVERSATION WITH CUBAN PREMIER FIDEL CASTRO, THE LATTER HAD AGREED NOT TO PROVIDE FUNDS TO AID EXTREMIST GROUPS SUCH AS THE MIR.

COMMENT: [REDACTED]

[REDACTED] CASTRO TOLD LEADERS OF THE CHILEAN SOCIALIST PARTY (PS) WHO WERE MEETING IN HAVANA THAT CUBA WOULD HAVE NOTHING MORE TO DO WITH EXTREMIST ACTIVITIES OR POLICIES REGARDING CHILE. CASTRO MADE IT CLEAR TO THE PS LEADERS THAT CUBAN POLICY WAS IN LINE WITH THE POLITICAL POSITION OF THE PCCH.)

7. [REDACTED] SAID THAT IN VIEW OF THE ACTIVITIES OF THE PARTY AND THE JCCH [REDACTED] NOW FEAR THE GOVERNMENT MAY INITIATE A MASSIVE PERSECUTION OF THE PARTY, [REDACTED] HAD INFORMATION THAT THE

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GOVERNMENT HAD RECENTLY CONDUCTED A SECRET SURVEY TO DETERMINE WHAT DOMESTIC AND INTERNATIONAL REPERCUSSIONS WOULD BE TO AN ALL-OUT ATTACK ON THE PARTY. THE STUDY RECOMMENDED AGAINST SUCH A TACTIC BECAUSE OF THE NEGATIVE IMPACT IT WOULD CAUSE. PARTY LEADERS FEAR, HOWEVER, THAT GIVEN THE ACTIVITIES OF INSUNZA AND OTHERS, THIS RECOMMENDATION MAY NOW BE OVERRULED.

a. [REDACTED]

9. FOLLOWING THE DEATH OF PEREZ, THE DISCOVERY OF INSUNZA'S ACTIVITIES, AND THE CONTINUING PRESENCE IN CHILE OF MIR SECRETARY GENERAL ANDRES PASCAL ALLENDE AND HIS ASSISTANT NELSON GUTIERREZ, PRESIDENT AUGUSTO PINOCHET ISSUED ORDERS TO THE DIRECTORATE OF NATIONAL INTELLIGENCE (DINA) TO BRING AN END TO THE RECENT UPSURGE OF TERRORIST ACTIVITY, IF POSSIBLE, PRIOR TO THE END OF 1975. [REDACTED] THAT PINOCHET IS ALSO CONSIDERING THE INITIATION IN EARLY 1976 OF A CAMPAIGN TO DESTROY THE INFRA-STRUCTURE OF THE PCCH. DINA IS PURSUING VARIOUS INVESTIGATIVE LEADS WHICH LINK MIR EXTREMISTS DIRECTLY TO THE PCCH.

10. [REDACTED]

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11.

CONFIRMED THAT ACCORDING

TO INTERROGATIONS OF RECENTLY CAPTURED MIR MEMBERS. INSUNZA DELIVERED U.S. \$110,000 TO THEMIR, AND THEN RETURNED TO ARGENTINA. THE MONEY HAS NOT YET BEEN LOCATED. THE RECENT INTERROGATIONS HAVE ALSO CONFIRMED THAT THE ERP AND THE ARGENTINE PERONIST MONTONEROS ARE ASSISTING THE MIR WITH GUERRILLA TRAINING IN ARGENTINA. DINA IS NOT CONCERNED WITH THE LOWER LEVELS OF MIR LEADERSHIP IN CHILE BECAUSE THEY ARE CONSIDERED INEPT AND DISORGANIZED. THEREFORE, AFTER PASCAL AND GUTIERREZ ARE CAPTURED, DINA WILL CONCENTRATE ITS EFFORTS ON THE PCCH. DINA CAPTURED A NUMBER OF MIR DOCUMENTS DURING THE RECENT ENCOUNTER WITH MIR LEADERS, AND THEY CONTAIN LISTS OF NAMES OF PROPOSED KIDNAP AND ASSASSINATION VICTIMS. THOSE ON THE LISTS WERE CURRENT MILITARY AND GOVERNMENT LEADERS, BUT THERE WERE NO DIPLOMATS INVOLVED.

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